Responses to questions posed during the October 1, 2018, Slumlord Legislation discussion October 15, 2018

Overview of the Minimum Housing Ordinance:

In response to questions from Mayor Lyles: What do we currently do, and what are the tools; and Councilmember Bokhari: Let's do quick benchmark of current process. What's in the ordinance?

The Minimum Housing Ordinance is authorized by the State, and implemented by City Code (Chapter 11; approved by City Council). The Ordinance enforces minimum standards of fitness for:

- dwellings,
- rooming houses, and
- lodging establishments

Helps ensure homeowners and landlords keep residences in safe and sanitary conditions

Ordinance is applicable within city limits and extraterritorial jurisdictional areas

Inspections take place as result of:

- tenant complaint,
- petition,
- field observations,
- public agency referral, and
- boarded up structures or hotel/motel requests

The Minimum Housing Ordinance applies to:

- Single & multi-family dwellings
- Hotel / Motel (limited)
- Vacant commercial structures (limited)
 - Open to vagrants
 - Danger to children
 - Rodent infestation
 - Fire hazard

<u>Definitions in state legislation and local ordinance used to describe the various conditions of housing:</u>

In response to question from Jason Kay: Definitions in state legislation of dilapidated housing, what qualifies for that label, set of things you can do to bring those up to code, how often do you invoke those things, etc.

- Unfit for human habitation: Conditions exist which violate or do not comply with one or more of the minimum standards of fitness, or with one or more of the responsibilities of owners and occupants established by the Ordinance.
- **Deteriorated**: A dwelling or rooming house is unsafe or unfit for human habitation and <u>can</u> be repaired, altered or improved to comply with all of the minimum standards of fitness **at a cost**

not in excess of 65 percent of its physical value, as determined by the inspector (Lodging Establishments – 50%).

• **Dilapidated**: A dwelling or rooming house is unsafe or unfit for human habitation and <u>cannot</u> be repaired, altered or improved to comply with all of the minimum standards at a **cost not in excess of 65 percent of its physical value,** as determined by the inspector (Lodging Establishments – 50%).

Process for Enforcement of the Housing Code:

In response to requests from Mayor Lyles: Describe the current system; and Councilmember Bokhari: Provide an analysis of the current process vs. what is needed

- Step 1: Complaint Made
- Step 2: By Day 3, schedule inspection for interior and exterior of dwelling
- Step 3: Identify and document all violations
 - Close case if none found

Step 4: Notify all property owners by mail

- If Dangerous Violations are not corrected within 48 hours, tenant is referred to Voluntary Emergency Relocation Program
- Twelve Dangerous Violations are:
 - No potable water supply
 - No operable heating equipment (November, December, January, February, or March)
 - No operable sanitary facilities
 - No operable smoke detector or carbon monoxide alarms
 - No safe, continuous, and unobstructed exit from the interior of the building to the exterior at street or grade level
 - o Fire hazard in a chimney that is in use
 - Unsafe wiring
 - o Unsafe ceiling or roof
 - Rotted, fire damaged, or insect damaged steps, flooring, or structural supports
 - Severe rat infestation where the place of habitation is not impervious to pests
 - No access provided to all rooms within a dwelling unit without passing through a public space
 - Any window or door providing access to any dwelling unit or rooming unit lacking an operable lock or the owner failing to provide a change of locks or keys to a new tenant of such dwelling unit or rooming unit
- Examples of Most Common Violations are:
 - Missing smoke or carbon monoxide alarms
 - Inoperable windows
 - o Inoperable heat (dangerous violation November 1 April 1)
 - o Plumbing leaks
 - Sanitary conditions
 - o Interior wall damage

Step 5: Re-inspect in 30 days

Step 6: By Day 35, hold administrative hearing

Step 7: Issue findings of fact

- Repair or demolish
- Compliance due within 30 days

Step 8: By Day 70, re-inspect for compliance

• Close case if in compliance

Step 9: If not in compliance:

• Civil Penalties – Available Remedies:

	First Day of Non-Compliance	Each Day Thereafter	
Dwelling or Rooming House	\$100	\$10	
Lodging Establishment	\$1,000	\$100	

Note: Excludes owner-occupied properties

- Environmental Court Available Remedies:
 - Owner cited for failure to make repairs
 - Uniform citation issued by CMPD
 - Owner given a court date
 - Case is now under the jurisdiction of the courts
 - Outcomes:
 - Owner brings property into compliance
 - Owner can be convicted of a class 3 misdemeanor if found guilty
 - Code could still have a structure that does not meet minimum standards, even if the owner is found guilty
- In-Rem Repair Available Remedy:
 - o In Rem refers to a legal action directed toward the property
 - o In Rem Repair:
 - Authorized by Council
 - Lien placed on property
 - No guarantee City will recoup monies spent
 - No guarantee property will remain secure after completion
- In-Rem Demolition Available Remedy:
 - o In Rem Demolition:
 - Authorized by City Council
 - Lien placed on property
 - No guarantee City will recoup monies spent

Code Enforcement Program Data:

In response to comments from Mayor Lyles: Provide data/numbers; and how can we avoid demolitions/displacements (references past when "a lot of demolitions and displacements were occurring")

Code Enforcement Data – Minimum Housing Inspections and Demolitions

	Initial	Met Criteria	% Met	Number of	%	Properties
	Inspections	for In-Rem	Criteria	Structures	Demolished	Repaired or
	Requested	Demolition		Demolished		Demolished
FY 2018	2,320	109	4.6%	23	0.9%	1,659
FY 2017	2,141	167	7.8%	39	1.8%	1,924
FY 2016	2,096	275	13.1%	65	3.1%	2,040
FY 2015	2,799	389	13.8%	65	2.3%	2,543

Tenant Rights Education:

In response to comment from Councilmember Egleston regarding community education events around tenant rights

The Community Relations Committee (CRC) currently provides Fair Housing Training. The CRC is also partnering with Legal Aid of North Carolina to update the "When You Rent" housing handbook.

- Understanding the rental application
- Renter's Rights
- Responsibilities of tenants and owners
- Grievance and mediation

Request input from the Greater Charlotte Apartment Association:

In response to request from Mayor Lyles: Talk to apartment association for input. What can be done, what is working without adding undue burden to court system?

Staff will be reaching out to the Greater Charlotte Apartment Association to discuss these issues.

Applicable NC Legislation:

In response to comments from Councilmember Bokhari regarding recent NC legislative activity; Councilmember Winston regarding whistleblower protections, and Councilmember Mayfield concerning possible changes to minimum housing standards within past five years.

- Landlord and Tenant laws (Chapter 42, Landlord and Tenant)
 - Retaliatory Eviction, Article 4A, protects tenants "who seek to exercise their rights to decent, safe, and sanitary housing" from retaliatory eviction
- Minimum Housing Standards (Part 6 of Chapter 160A, Article 19)
 - Last substantive changes made to Part 6 were in 2009 to amend G.S. 160A-443 concerning steps needed to be taken by the governing body to repair, close and demolish structures.

Additional ideas put forward by councilmembers:

- Councilmember Mayfield raised the possibility of seeking authority for renters to withhold rent
 payments: Understanding that tenants do not have ability to withhold rent (Councilmember
 Winston suggested that this might be something we ask the legislature for); push for legislative
 language; partner with other local communities such that they submit similar language request.
- Councilmember Mayfield raised the possibility of language to protect tenants from month-tomonth leases.
- Councilmember Bokhari asked if there is a special classification (in state language that we need) that enables more to be done more quickly.